

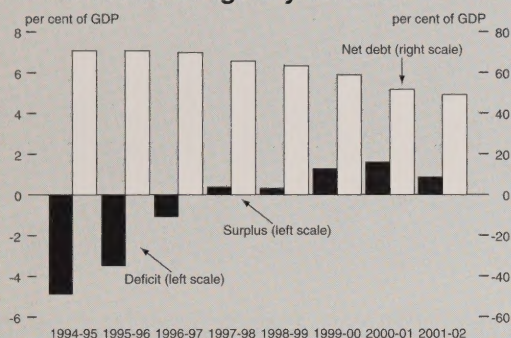
Government of Canada Securities

A Publication of the Department of Finance

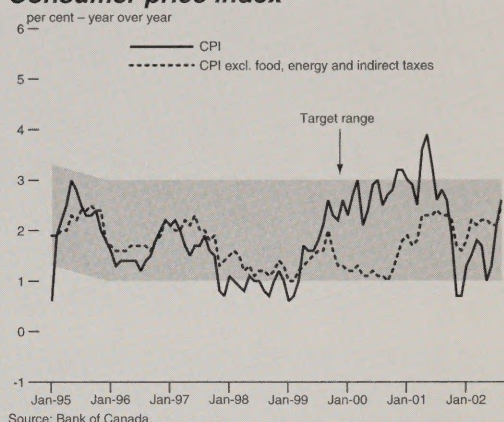
October 2002

Canadian Economy

Government of Canada net debt and budgetary balance



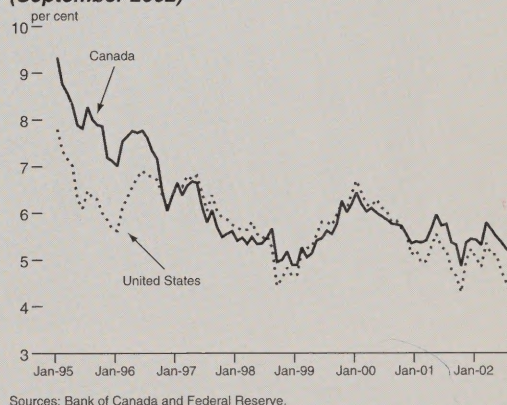
Consumer price index



3-month Treasury bill rates (September 2002)



10-year government bond rates (September 2002)



Upcoming economic data releases of interest

October

August Real GDP
(October 31)

November

October Labour Force Survey
(November 8)

October CPI
(November 21)

September Real GDP
(November 29)

National Economic and Financial Accounts
July-September 2002
(November 29)

December

November Labour Force Survey
(December 6)

November CPI
(December 20)

October Real GDP
(December 24)

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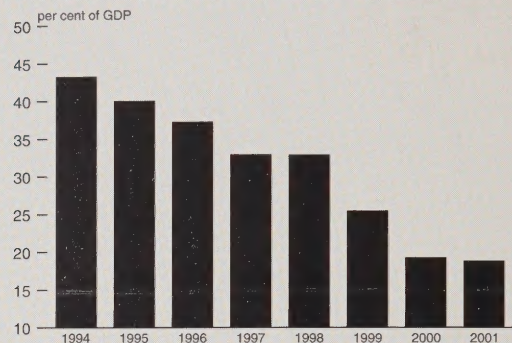
Canadian Economy

Selected Canadian economic statistics

	2000	2001	2001		2002	
			Q3	Q4	Q1	Q2
Annualized growth rates (per cent)						
Real GDP	4.5	1.5	-0.5	2.9	6.2	4.3
Final domestic demand	4.0	2.5	2.1	0.3	3.6	3.7
Employment growth	2.6	1.1	-0.2	0.5	2.8	3.7
Other						
Unemployment rate	6.8	7.2	7.2	7.7	7.8	7.6
Current account balance (percentage of GDP)	2.6	2.8	1.6	1.6	1.9	1.7

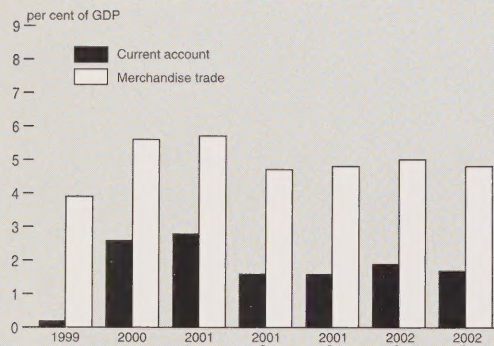
Source: Statistics Canada.

Canada's net international liabilities



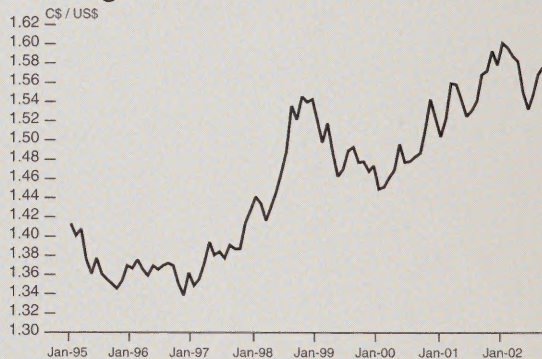
Source: Statistics Canada.

Canada's current account balance and merchandise trade balance



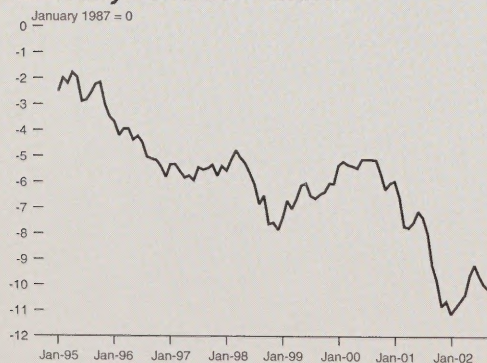
Source: Statistics Canada.

Exchange rate



Source: Bank of Canada.

Monetary conditions index



Source: Bank of Canada.

Canadian monetary aggregates

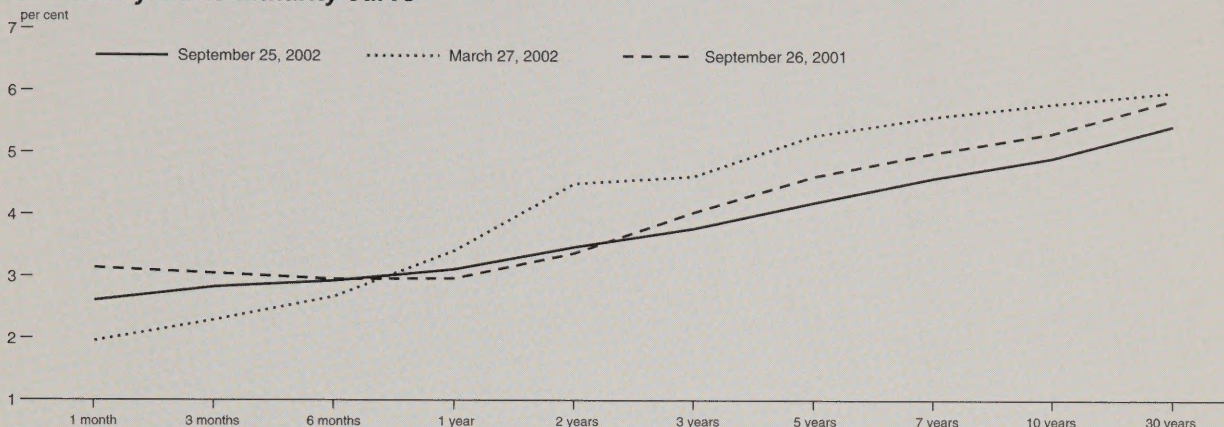


Source: Bank of Canada.

Government of Canada Securities

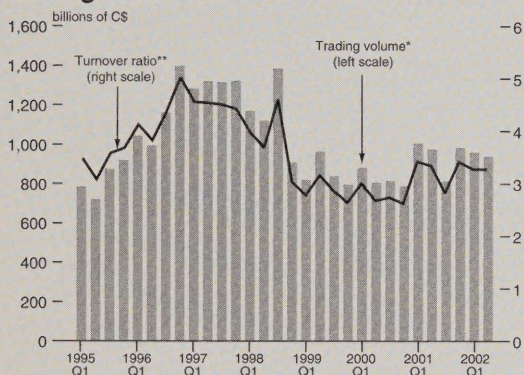
Secondary Market

Canadian yield-to-maturity curve



Source: Bank of Canada.

Government of Canada bonds trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.

**Turnover ratio = total trading volume in each quarter/stock.

Source: Bank of Canada.

Government of Canada Treasury bills trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.

**Turnover ratio = total trading volume in each quarter/stock.

Source: Bank of Canada.

Government securities distributors

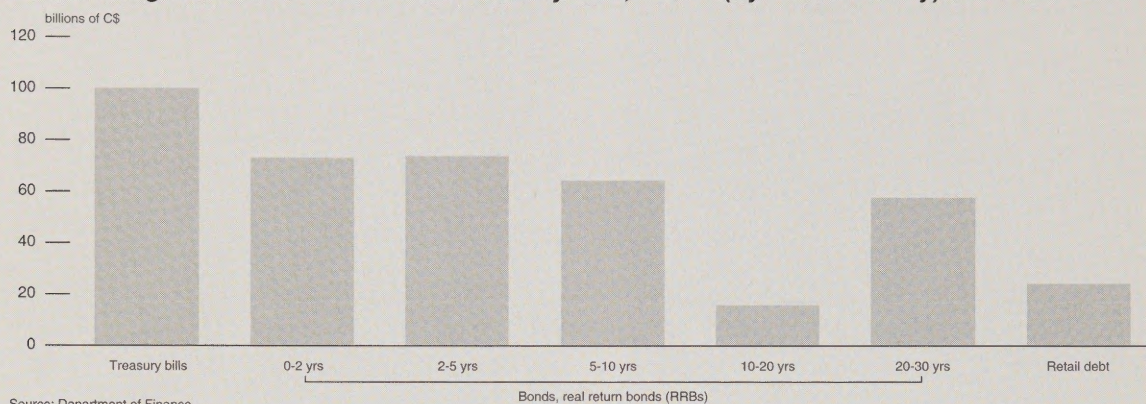
- Bank of Montreal (Treasury bills only)
- Beacon Securities Limited
- BMO Nesbitt Burns Inc. (marketable bonds only)
- Canaccord Capital Corp.
- Canadian Imperial Bank of Commerce (Treasury bills only)
- Casgrain & Company Limited
- CIBC World Markets Inc. (marketable bonds only)
- CTI Capital Inc.
- Desjardins Securities
- Deutsche Bank Securities Limited
- Golden Capital Securities Limited
- HSBC Bank Canada

- Laurentian Bank Securities Inc.
- Merrill Lynch Canada Inc.
- J.P. Morgan Securities Canada Inc.
- National Bank Financial Inc.
- Ocean Securities Inc.
- Odium Brown Limited
- RBC Dominion Securities Inc.
- Resolution Capital Inc.
- Scotia Capital Inc.
- Société Générale Valeurs Mobilières Inc.
- The Toronto-Dominion Bank

Government of Canada Securities

Primary Market

Outstanding Government of Canada Treasury bills, bonds (by term maturity) and retail debt



Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage*	Tail**
	(years)		(%)	(millions of dollars)		(%)		(basis points)
Sept. 11, 2002	30	Dec. 1, 2031	4***	300	112.710	3.317	3.079	n/a
August 28, 2002	2	Dec. 1, 2004	4.25	3,000	101.109	3.730	2.207	0.5
August 14, 2002	5	Sept. 1, 2007	4.5	2,400	100.936	4.291	2.282	0.8
July 31, 2002	10	June 1, 2012	5.25	2,500	99.356	5.334	2.489	1.1
July 10, 2002	30	June 1, 2033	5.75	1,900	99.978	5.751	2.209	0.9

*Coverage is defined as the ratio of total bids at auction to the amount auctioned.

**Tail is defined as the high accepted yield minus the average yield.

***RRB.

Source: Bank of Canada.

Upcoming Government of Canada bond auctions

Type of issue	Auction date (2002)	Further details of issue (2002)	Dated and delivered (2002)	Amount maturing*
				(millions of dollars)
10-year auction	October 30	October 24	November 4	—
5-year auction	November 13	November 7	November 18	—
2-year auction	November 27	November 21	November 29	—
30-year RRB auction	December 4	November 28	December 9	—

Note: In addition, this quarter three repurchase operations will be held in conjunction with each nominal bond auction. One pilot switch repurchase operation was held on October 9 in the 10-year sector, and three others will take place: one on November 20 in the 30-year sector one on December 11 in the 10-year sector and one on December 18 in the 5-year sector. Further details will be released on the Thursday prior to these operations. The target amount for repurchase this quarter is \$3.2 billion.

* Maturity of \$4,000 million on December 2, 2002, and \$1,073 million on December 16, 2002.

Source: Bank of Canada.

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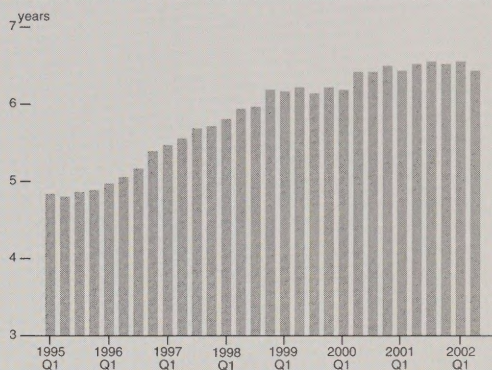
Primary Market

Government of Canada bond market benchmarks

Term	Maturity	Coupon	Amount outstanding	Yield
		(%)	(millions of dollars)	(Sept. 25, 2002)
Fixed-coupon				
2-year	Dec. 1, 2004	4.25	6,500	3.16
5-year	Sept. 1, 2007	4.50	10,400	4.00
10-year	June 1, 2012	5.25	10,400	4.93
30-year	June 1, 2029	5.75	13,900	5.25
Real return				
30-year	Dec. 1, 2026	4.25	5,250	3.26

Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Upcoming Government of Canada marketable bond maturities

October-December 2002	January-March 2003	April-June 2003	July-September 2003
(millions of dollars)			
5,103	1,733	12,906	9,540

Outstanding Government of Canada foreign currency debt (as of September 30, 2002)

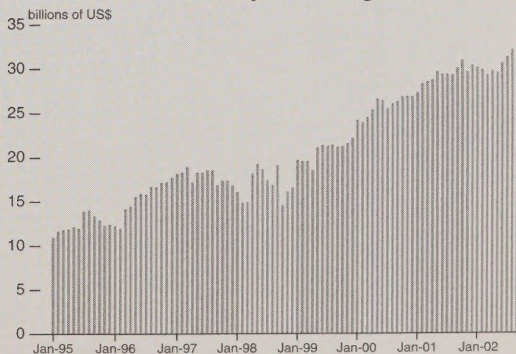
	(C\$ millions)*
Canada bills	2,946
Canada notes	1,303
Outstanding under EMTN program	3,273
5% US\$ bonds maturing February 19, 2003	3,174
6% US\$ bonds maturing November 30, 2004	3,174
6% US\$ bonds maturing July 21, 2005	2,381
6% US\$ bonds maturing August 28, 2006	1,587
6% NZ\$ bonds maturing October 3, 2007	373
4% EUR bonds maturing July 7, 2008**	3,204
5% US\$ bonds maturing November 5, 2008	3,968

*At par value, adjusted for exchange rates as of September 30, 2002.

**Original issue in Deutsche Marks was redenominated into euro on February 19, 1999.

Source: Bank of Canada.

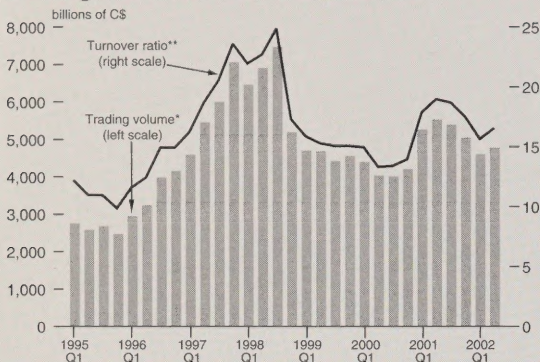
Canada's level of liquid foreign reserves



Government of Canada Securities

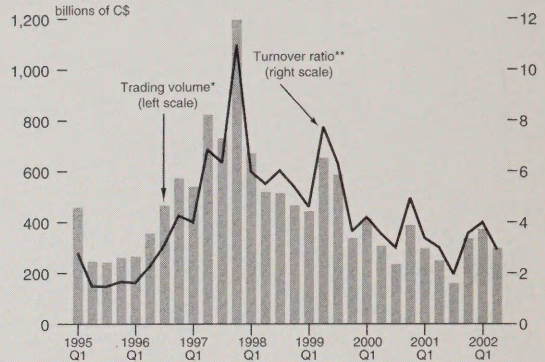
Secondary Market

Government of Canada bond repos trading volume and turnover ratio



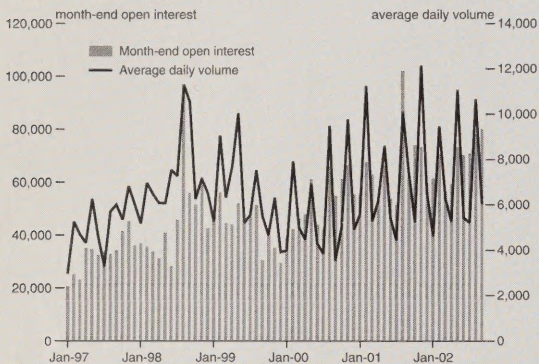
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**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada Treasury bill repos trading volume and turnover ratio



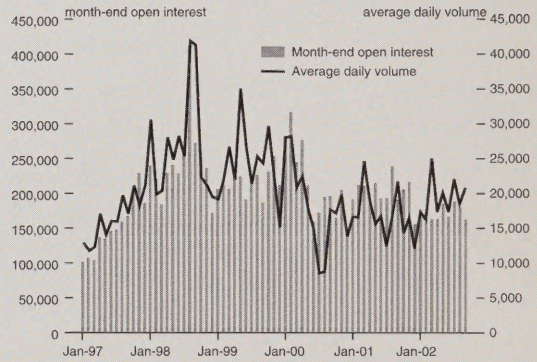
*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

10-year Government of Canada bond futures



Source: The Montreal Exchange.

3-month bankers acceptance futures



Source: The Montreal Exchange.

Government of Canada long-term credit ratings

	Standard & Poor's	Moody's Investors Service	Dominion Bond Rating Service
	Current	Current	Current
Domestic debt	AAA	Aaa	AAA
– Trend	Stable	Stable	Stable
Foreign debt	AAA	Aaa	AA (high)
– Trend	Stable	Stable	Stable

This publication is also available on the Internet at www.fin.gc.ca.
Except as noted, the information in *Government of Canada Securities* is based upon data available as of October 4, 2002.
For further information, contact Brian Dell at (613) 992-6231.
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